

VETERANS MORTGAGE LIFE INSURANCE

IMPORTANT - DO NOT COMPLETE THE ATTACHED STATEMENT UNTIL YOU HAVE READ ALL THE INSTRUCTIONS CAREFULLY. INACCURATE INFORMATION MAY RESULT IN YOUR NOT BEING INSURED FOR THE FULL AMOUNT OF YOUR ENTITLEMENT.

Veterans Mortgage Life Insurance (VMLI) is designed to provide financial protection to cover an eligible veteran's outstanding home mortgage in the event of his or her death. This mortgage insurance program is administered by the Department of Veterans Affairs.

GENERAL DESCRIPTION OF COVERAGE:

The insurance is available only to disabled veterans who, because of their disabilities, have received a Specially Adapted Housing Grant from the Department of Veterans Affairs.

MAXIMUM AMOUNT OF COVERAGE:

The maximum amount of VMLI allowed is **\$90,000**.

The amount payable at the time of death is computed according to the schedule of mortgage payments and does not include any amount arising from delinquent payments. The money is paid only to the mortgage holder (mortgage company, bank, etc.)

THE MORTGAGE:

The mortgage is the mortgage secured on a specially adapted or modified residence purchased or remodeled in part with a grant from the Department of Veterans Affairs.

If you had VMLI on a housing unit and you sold or otherwise disposed of that housing unit, you may obtain VMLI coverage for a mortgage loan on another eligible housing unit.

SPECIAL PROVISIONS:

The housing unit which is security for the mortgage loan must be used by you as your residence.

The insurance ends on your 70th birthday, or when the existing mortgage is paid in full, or if your ownership of the residence is terminated.

If title to the mortgage property is shared with anyone other than your spouse and is not a Joint Tenancy ownership or Tenancy by the Entirety, your coverage is only for the percentage of the title that is in your name.

EFFECTIVE DATE:

The coverage is automatically effective on the date your Specially Adapted Housing Grant is approved, provided you are obligated under a mortgage loan on a housing unit at that time. This coverage will stop if you elect in writing not to be insured, or if you fail to respond within 60 days to a final request for information on which your premiums can be based.

If you are not eligible for automatic coverage, you may apply for the coverage in writing at a later date. The effective date for this insurance will be established by VA upon receipt of a signed application, and all other information necessary to determine the amount of the insurance premiums.

YOUR RESPONSIBILITY TO REPORT CHANGES

Since mortgages can be transferred from one lending company to another, it is very important that you report all changes of status promptly to VA. It is important for VA to know such things as: If you have moved, liquidated your mortgage, refinanced your mortgage, sold your property, or if the mortgage has been sold or traded to another lender. Please note that insurance protection on a new mortgage will not be effective until this information is received by VA. These changes will not affect your coverage.

The Department of Veterans Affairs Center in Philadelphia maintains all the VA records involved in the VMLI program and all such changes should be sent to that office. The address is:

**Department of Veterans Affairs Regional Office
and Insurance Center
P.O. 7208 (VMLI)
Philadelphia, PA 19101**

PREMIUMS

The premiums for this protection are based only on the mortality costs of insuring nondisabled lives and therefore, should be lower than any commercial insurance premiums for similar coverage. Premiums are payable monthly beginning with the month in which eligibility began. If, however, eligibility began on the 1st through the 10th of any month, a double deduction is required because a premium month begins on the 11th of a month and continues through the 10th of the following month. A premium is not prorated for a part of a month. Premiums must be deducted from your monthly VA Disability compensation. If at any time you are not

OVER

Premiums are based on the scheduled unpaid balance of the mortgage at the time the insurance is effective, the number of years for which payments must be made in the future and your current age. To obtain your approximate premium cost:

1. Calculate your age. If more than six months have passed since your last birthday use your age next birthday.
2. Calculate the number of years in the future during which you must make payments. If part of a year is involved count it as a full year.
3. Calculate the principal amount of your mortgage which is presently outstanding. In connection with your mortgage you have probably received a schedule or periodic statements showing the amount of principal unpaid.
4. Refer to the rates on page 4. Find your age in the column at the left or right, go across the chart to the column under the number of years for which you have to make payments; if the exact number of years does not appear, use the next highest number. The figure appearing across from your age and under the number of years is the monthly rate per \$1,000 of unpaid mortgage principal. Multiply this rate by the number of thousands of dollars now unpaid on your mortgage. This will give you the approximate monthly cost for your insurance.

EXAMPLE: Veteran born January 15, 1957, 35th birthday was January 15, 1992. More than 6 months have elapsed since last birthday - use age 36.

Mortgage originally effective June 10, 1987 and is a 30-year mortgage. Assuming all payments made for 5 years, future payments must be made for 25 years, use 25.

At age 36 monthly rate for mortgages with 27 years of payments remaining is \$0.27 per \$1,000.

Remaining amount of unpaid mortgage at this time is \$16,385. Multiply (rate) by 17 (16 and a fraction thousands of dollars); the result, \$4.59, is your approximate monthly premium.

When you apply for the insurance your premium will be calculated exactly and you will be advised of the exact amount. It may be slightly more or slightly less than the approximate amount as determined in the above example. The foregoing example is not applicable if you are making irregular payments or if your mortgage balance exceeds \$90,000 on the day you become eligible.

INSTRUCTIONS FOR COMPLETING STATEMENT

This statement should be completed and returned as soon as possible.

If you are eligible and want the insurance, complete Part A, Items 1 thru 16 only -- otherwise see Part B below.*

If the information requested in any item is not readily available, insert "unknown." The Department of Veterans Affairs will secure the information from other sources or, if necessary, write to you again.

Please print or type the information to be inserted. Detach the completed statement and return it in the envelope provided.

Items 1-5 - Self-explanatory.

Item 6 - If veteran is incompetent, show address of guardian.

Item 7- Self-explanatory.

Item 8 - Self-explanatory. (For the purpose of establishing the insurance correctly, the Department of Veterans Affairs will write to this company or individual.) NOTE: If house is under construction, send photocopies of construction contract and mortgage loan commitment with this application.

Item 9 - Enter any mortgage, account, or identification number assigned to your mortgage by the company or individual to whom payments are made.

Item 10 - Self-explanatory.

Item 11 - Enter original dollar amount of your mortgage, at the time the mortgage was granted and the present unpaid balance.

Item 12 - Enter the amount of your monthly payment for principal and interest, excluding any amount for taxes, insurance, etc.

Item 13 - Enter the agreed annual rate of interest of your mortgage.

Item 14 - Show the date the first payment was due under the mortgage and the duration as of that date, of payments, such as 20,25, or 30 years, or 20 years 10 months, etc.

Item 15 - If your home is under construction, please indicate so in Block 15A. If you want coverage to begin prior to completion of the home, indicate so in Block 15B. Please provide a copy of your construction commitment. Premiums will be based on your construction commitment amount, but could be adjusted when you make final settlement.

Items 16 & 17 - Sign full name and enter date. If signed by guardian please indicate. In any other case in which veteran's signature does not appear, please explain.

*Part B - If you do not want the insurance, please enter your name and VA file number, check the appropriate box, sign, and date.

DETACH BEFORE MAILING

COMPLETE AND RETURN
PART A OR PART B

OMB Approved No. 2900-0212
Respondent Burden: 15 minutes



VETERANS MORTGAGE LIFE INSURANCE
STATEMENT

PRIVACY ACT INFORMATION: No insurance may be granted unless a completed application form has been received (38 U.S.C. 2106 and 38 CFR 8a.3 (e)). The information provided, on a voluntary basis, will be used by VA employees and your authorized representative in the maintenance of Government insurance programs. Responses may be disclosed outside VA only if the disclosure is authorized under the Privacy Act, including the routine uses identified in the VA system of records, 53VA00, Veterans Mortgage Life Insurance - VA, published in the Federal Register.

RESPONDENT BURDEN: VA may not conduct or sponsor, and respondent is not required to respond to this collection of information unless it displays a valid OMB Control Number. Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have comments regarding this burden estimate or any other aspect of this collection of information, call 1-800-827-1000 for mailing information on where to send your comments.

PART A

1. TELEPHONE NUMBER	2. VA CLAIM NUMBER C -	3. SOCIAL SECURITY NUMBER	4. DATE OF BIRTH (Month, day, year)
5. VETERAN'S NAME (First, middle, last)		6. MAILING ADDRESS OF VETERAN (No. and street or rural route, city or P.O., State and ZIP Code)	
7. ADDRESS OF MORTGAGED PROPERTY (If different than Item 6 above) (No. and street or rural route, city or P.O., State and ZIP Code)			
8. NAME, ADDRESS AND PHONE NUMBER (If known) OF COMPANY OR INDIVIDUAL TO WHOM MORTGAGE PAYMENTS ARE MADE (No. and street or rural route, city or P.O., State and ZIP Code) (If house is under construction, refer to note under Item 8 on instruction sheet - page 2)			

MORTGAGE INFORMATION

9. MORTGAGE ACCOUNT NUMBER	10. IS TITLE TO THE MORTGAGED PROPERTY HELD JOINTLY WITH ANYONE OTHER THAN YOUR SPOUSE?	11. AMOUNT OF MORTGAGE	
		a. ORIGINAL AMOUNT \$	B. CURRENT BALANCE \$
12. MONTHLY PAYMENT AMOUNT (Principal and Interest only) \$	13. RATE OF INTEREST %	14. MORTGAGE PAYMENT PERIOD	
		A. FIRST PAYMENT DUE (Mo., day, year)	B. DURATION OF PAYMENTS (Months and years)

15. HOME UNDER CONSTRUCTION

A. IS YOUR HOME CURRENTLY UNDER CONSTRUCTION? <input type="checkbox"/> YES <input type="checkbox"/> NO	B. DO YOU WANT VMLI COVERAGE TO BE EFFECTIVE WHILE THE HOME IS UNDER CONSTRUCTION, WITH COVERAGE TO BE ADJUSTED, IF NECESSARY, AT THE TIME OF FINAL SETTLEMENT? (PREMIUMS WILL BE DUE IMMEDIATELY) <input type="checkbox"/> YES <input type="checkbox"/> NO
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IMPORTANT NOTICE

This is notice to you as required by the Right to Financial Privacy Act of 1978 that VA has a right to have access to your financial records (held by financial institutions) in connection with assisting you. Financial records involving your transaction will be available to VA without further notice or authorization but will not be disclosed or released to another Government Agency or Department without your consent except as required or permitted by law.

I CERTIFY THAT the above information is accurate to the best of my knowledge. I authorize VA to withhold the required premium from my VA benefits for the purpose of paying for the mortgage protection life insurance.

16. SIGNATURE OF VETERAN	17. DATE SIGNED
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FOR VA USE

18. AMOUNT OF INSURANCE \$	19. EFFECTIVE DATE	20. AMOUNT OF PREMIUM \$	21. APPROVED BY	22. DATE APPROVED
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VA FORM 29-8636
FEB 1999

SUPERSEDES VA FORM 29-8636, MAR 1993,

WHICH WILL NOT BE USED.

DETACH HERE

PART B - DECLINATION OF INSURANCE

1. VETERAN'S NAME (First, middle, last)	2. VA FILE NUMBER C -
3. I AM DECLINING THE MORTGAGE PROTECTION LIFE INSURANCE FOR THE REASON CHECKED BELOW: <input type="checkbox"/> I DO NOT HAVE A MORTGAGE <input type="checkbox"/> I DO NOT DESIRE THE INSURANCE <input type="checkbox"/> I AM NOT ELIGIBLE BECAUSE OF AGE	
4. SIGNATURE OF VETERAN (Do NOT Print)	5. DATE SIGNED

VA FORM 29-8636
FEB 1999

SUPERSEDES VA FORM 29-8636, MAR 1993,

WHICH WILL NOT BE USED.

MONTHLY MORTGAGE INSURANCE PREMIUMS PER \$1,000 OF CURRENT LOAN BALANCE**YEARS REMAINING IN MORTGAGE PERIOD**

AGE	3 YEARS	6 YEARS	9 YEARS	12 YEARS	15 YEARS	18 YEARS	21 YEARS	24 YEARS	27 YEARS	30 YEARS	33 YEARS	AGE
20	0.04	0.04	0.04	0.05	0.05	0.05	0.06	0.07	0.07	0.08	0.09	20
21	0.04	0.04	0.05	0.05	0.05	0.06	0.06	0.07	0.08	0.09	0.10	21
22	0.04	0.04	0.05	0.05	0.05	0.06	0.06	0.07	0.08	0.09	0.11	22
23	0.04	0.04	0.05	0.05	0.06	0.06	0.07	0.08	0.09	0.10	0.11	23
24	0.04	0.04	0.05	0.05	0.06	0.06	0.07	0.08	0.09	0.11	0.12	24
25	0.04	0.05	0.05	0.05	0.06	0.07	0.08	0.09	0.10	0.12	0.13	25
26	0.04	0.05	0.05	0.06	0.06	0.07	0.08	0.09	0.11	0.13	0.15	26
27	0.04	0.05	0.05	0.06	0.07	0.08	0.09	0.10	0.12	0.14	0.16	27
28	0.05	0.05	0.06	0.06	0.07	0.08	0.09	0.11	0.13	0.15	0.17	28
29	0.05	0.05	0.06	0.07	0.08	0.09	0.10	0.12	0.14	0.16	0.19	29
30	0.05	0.05	0.06	0.07	0.08	0.09	0.11	0.13	0.15	0.18	0.21	30
31	0.05	0.06	0.07	0.08	0.09	0.10	0.12	0.14	0.17	0.20	0.23	31
32	0.05	0.06	0.07	0.08	0.10	0.11	0.13	0.16	0.18	0.22	0.25	32
33	0.06	0.07	0.08	0.09	0.11	0.12	0.15	0.17	0.20	0.22	0.28	33
34	0.06	0.07	0.08	0.10	0.12	0.14	0.16	0.19	0.22	0.24	0.30	34
35	0.07	0.08	0.09	0.11	0.13	0.15	0.18	0.21	0.25	0.29	0.33	35
36	0.07	0.09	0.10	0.12	0.14	0.17	0.20	0.23	0.27	0.32	0.37	36
37	0.08	0.10	0.11	0.13	0.16	0.19	0.22	0.26	0.30	0.35	0.41	37
38	0.09	0.11	0.13	0.15	0.18	0.21	0.24	0.29	0.33	0.39	0.45	38
39	0.10	0.12	0.14	0.17	0.20	0.23	0.27	0.32	0.37	0.43	0.49	39
40	0.11	0.13	0.16	0.19	0.22	0.26	0.30	0.35	0.41	0.47	0.54	40
41	0.13	0.15	0.17	0.21	0.24	0.17	0.20	0.39	0.45	0.52	0.59	41
42	0.14	0.16	0.19	0.23	0.27	0.19	0.22	0.43	0.49	0.57	0.64	42
43	0.16	0.18	0.21	0.25	0.30	0.21	0.24	0.47	0.54	0.63	0.69	43
44	0.17	0.20	0.24	0.28	0.33	0.23	0.27	0.52	0.60	0.69	0.75	44
45	0.19	0.22	0.26	0.31	0.36	0.42	0.49	0.57	0.67	0.75	0.81	45
46	0.21	0.25	0.29	0.34	0.40	0.47	0.54	0.63	0.73	0.81	0.87	46
47	0.24	0.28	0.32	0.38	0.44	0.52	0.60	0.70	0.80	0.87	0.93	47
48	0.26	0.31	0.36	0.42	0.49	0.57	0.66	0.78	0.87	0.94	1.00	48
49	0.29	0.34	0.40	0.46	0.54	0.63	0.73	0.85	0.95	1.07	1.07	49
50	0.32	0.37	0.44	0.51	0.60	0.69	0.81	0.93	1.02	1.09	1.14	50
51	0.36	0.41	0.48	0.56	0.66	0.76	0.90	1.02	1.10	1.17	1.22	51
52	0.39	0.46	0.53	0.62	0.72	0.84	0.99	1.11	1.19	1.25	1.29	52
53	0.43	0.50	0.59	0.68	0.79	0.94	1.09	1.20	1.28	1.33	1.38	53
54	0.48	0.55	0.64	0.75	0.87	1.05	1.19	1.29	1.37	1.42	1.46	54
55	0.52	0.61	0.71	0.83	0.96	1.16	1.30	1.39	1.46	1.52	1.56	55
56	0.58	0.67	0.78	0.91	1.09	1.28	1.41	1.50	1.56	1.61	1.65	56
57	0.64	0.74	0.86	1.00	1.22	1.40	1.52	1.61	1.67	1.71	1.75	57
58	0.70	0.81	0.94	1.10	1.36	1.53	1.64	1.72	1.78	1.82	1.85	58
59	0.77	0.89	1.04	1.26	1.50	1.66	1.76	1.84	1.89	1.93	1.96	59
60	0.85	0.98	1.14	1.43	1.65	1.79	1.89	1.96	2.01	2.05	2.08	60
61	0.93	1.08	1.25	1.60	1.81	1.94	2.03	2.09	2.13	2.17	2.19	61
62	1.02	1.18	1.47	1.78	1.97	2.09	2.17	2.22	2.26	2.29	2.32	62
63	1.12	1.29	1.69	1.97	2.14	2.24	2.31	2.36	2.40	2.43	2.45	63
64	1.22	1.42	1.92	2.17	2.31	2.40	2.46	2.51	2.54	2.56	2.58	64
65	1.34	1.74	1.74	2.37	2.49	2.57	2.62	2.66	2.69	2.71	2.72	65
66	1.47	2.07	2.07	2.58	2.68	2.74	2.79	2.82	2.84	2.86	2.87	66
67	1.61	2.42	2.42	2.81	2.88	2.93	2.96	2.98	3.00	3.01	3.02	67
68	2.24	2.77	2.77	3.04	3.09	3.12	3.14	3.16	3.17	3.17	3.18	68
69	2.88	3.15	3.15	3.28	3.30	3.32	3.33	3.33	3.34	3.34	3.35	69